BROADBAND EXPANSION GRANT APPLICATION For Fiscal Year 2022

Primary Applicant (Name and Address):

BTC Communications dba Bloomer Telephone Company 1120 15th Avenue Bloomer, WI 54724 Applications MUST be UPLOADED to ERF via the Commission's website,

http://psc.wi.gov/apps35/ERF_upload/content/mymenu.a spx. Refer to section 2.3 for detailed instructions.

Applications are due and MUST be uploaded to ERF no later than: March 17, 2022 at 4:00pm (16:00) Central Time. Late applications will not be accepted.

Contact for further information:

PSCStatebroadbandoffice@wisconsin.gov

Date:

December 1, 2021

The Public Service Commission of Wisconsin is seeking applications for Broadband Expansion Grants. The Commission may award one or more grants during Fiscal Year 2022 to public and private entities that meet the eligibility requirements set forth in Wis. Stat. § 196.504. This grant round will be funded with bond proceeds authorized by the Wisconsin Building Commission pursuant to Wis. Stat. § 13.48(30). As such, successful applicants are subject to the requirements of Wis. Stat. § 13.48(30). Successful applicants will demonstrate a clear and achievable plan to improve broadband communications services in one or more underserved areas in the State.

Applicant Certification: In signing this application, the undersigned verifies under penalty of perjury that the Applicant and its employees and agents have not, either directly or indirectly, entered into any agreement or participated in any collusion or otherwise taken any action in restraint of free competition with respect to this application; that no attempt has been made to induce any other person or firm to submit or not to submit an application; that this application has been independently arrived at without collusion with any other proposer, competitor or potential competitor; that this application has not been knowingly disclosed prior to the opening of applications to any other applicant or competitor; that all of the responses and representations of Applicant in this application are true and correct to the best of the undersigned's knowledge, information, and belief; and that Applicant agrees to, accepts, and will comply with all of the terms and conditions respecting this application and any award of a broadband expansion grant as may be established in a grant award Agreement.

Name of Authorized Representative (Type or Print) Kent Klima; Travis McFarlane	Title VP and General Manager Operations Manager	Phone (715) 568 - 4830
Signature of Authorized Representative	Date 03/17/2022	

SUMMARY OF GRANT APPLICATION

Primary Applicant Name BTC Communications dba Bloomer Telephone Company	Amount of Broadband Grant Request (round to nearest dollar) \$913,643			
Federal Employer Identification No. 39-1904044	Amount of Matching Funds Pledged (round to nearest dollar) \$2,819,449			
Contact Name and Title • Kent Klima, VP and General Manager • Travis McFarlane, Operations Manager	Total Cost of Proposed Project (round to nearest dollar) \$3,733,092			
Telephone Number (715) 568-4830	Project Name Bloomer Telephone Co./Town of Lafayette FTTH Project			
E-mail Address(es) • kent.klima@bloomer.net • travis.mcfarlane@bloomer.net	Type of Proposed Broadband Service (FTTH, Cable, DSL, etc.) FTTH			
Grant Manager, if different than Primary Applicant	Type of Proposed Project (Last-mile, Middle-Mile, backbone, other) Last Mile			
Grant Manager Contact Name	Grant Manager Email Address and Telephone Number			

If the application proposes a public-private partnership, list the names, addresses, and FEINs of the partner companies or organizations

- Public-private Partnership with the Town of Lafayette → FEIN: 39-6005958
 - o 5765 197th St, Chippewa Falls, WI 54729
- Public-private Partnership with Chippewa County → FEIN 39-6005678
 - o 711 N. Bridge Street, Chippewa Falls, WI 54729

Brief Project Description (2 sentences)

BTC Communications dba Bloomer Telephone Company, the Town of Lafayette, and Chippewa County partner to propose a fiber-to-the-home project to provide broadband internet services to Lafayette. The proposed project will construct 76.75 miles of fiber to 423 locations with symmetrical speeds of 2.5 Gbps and faster.

Maximum Proposed Download Transmission Speed 2.5 Gbps and faster	Maximum Proposed Upload Transmission Speed 2.5 Gbps and faster
Minimum Proposed Download Speed to Customer Location 100 Mbps	Minimum Proposed Upload Transmission Speed to Customer Location 100 Mbps
County or Counties served by this project Chippewa County	Community or Communities served by this project Town of Lafayette

List of the broadband service providers, if any, currently serving the ar AT&T, US Cellular, Charter/Spectrum	ea the applicant proposes to serve
Does proposed project serve an <u>unserved</u> area of the State, as defined in <u>Section 1.4</u> of the application instruction? (yes/no) Yes	Is the Applicant certified as a Broadband Forward! Community or Telecommuter Forward! Community, or does the grant project propose to serve a Broadband Forward! Community or Telecommuter Forward! Community? (yes/no) Yes
For last mile projects or component the expected number of Business Locations that will have access to the improved broadband service (i.e., total business locations passed or with new service access). 16	For last mile projects or components the expected number of Residential Locations that will have access to the improved broadband service (i.e., total residential locations passed or with new service access). 407
Of the improved business locations, how many locations are unserved? 3	Of the improved residential locations, how many are <i>unserved</i> ? 28
For providers that are eligible telecommunications carriers will the proposed broadband service be available to Lifeline customers? (yes/no) No	Are there any programs available for low-income households to access low-cost service or discounts? (yes/no) Yes - ACP
Is the internet service provider currently participating in the Emergency Broadband Benefit Program? (yes/no) Yes - ACP	Is the internet service provider currently participating in the Department of Public Instruction and CESA purchasing's Digital Learning Bridge? (yes/no) Yes
Did the internet service provider participate in the Public Service Commission's voluntary Broadband Coverage Data Collection in 2021? (yes/no) Yes	

FY22 Broadband Expansion Grant Application Budget & Income Summary



Please complete this form using Microsoft Excel. A PDF copy must be attached to your application as page four. In addition, this form must also be uploaded to ERF in Excel format.

Grant Summary

Grant Applicant:	Project:
BTC Communications dba Bloomer Telephone Company	Bloomer Telephone Co./Town of Lafayette FTTH Project

Budget

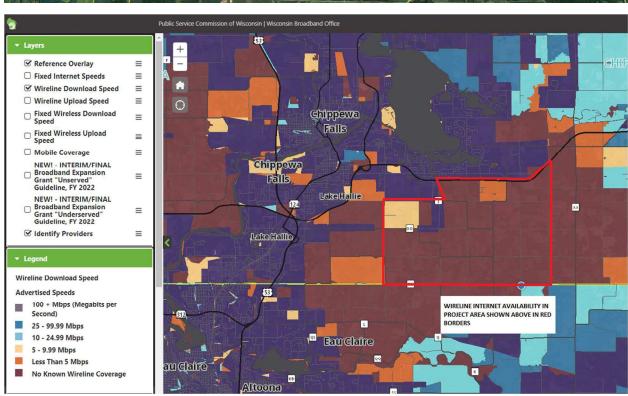
Line:	Description / Category:	Gr	ant Funds:		Match:		Total:
1	Contractual, Consultant Fees	\$	2,576,032	\$	834,757	\$	3,410,789
2	Equipment	\$	204,912	\$	66,289	\$	271,201
3	Supplies					\$	-
4	Labor (Salary, Fringe)	\$	38,505	\$	12,596	\$	51,102
5	Permitting, Licensing Fees					\$	-
6	Travel					\$	-
7	Other					\$	-
		\$	2,819,449	\$	913,643	\$	3,733,092.00
	Total: ·			24.5% n	natch requested	ı	

Pledged Contributions

#:	Entity:	Entity Type:	Pledge Type:	Pledge:
1	BTC Communications dba Bloomer Telephone Company	Applicant	Cash	\$ 634,500.00
2	Town of Lafayette	Partner	Cash	\$ 50,000.00
3	Chippewa County	Partner	Cash	\$ 229,143.00
4				
5				
6				
7				
8				
9				
10				
Total:				\$ 913,643.00

Map(s)





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Executive Summary

BTC Communications dba Bloomer Telephone Company is proposing a fiber-to-the-home (FTTH) project to serve 423 locations with broadband internet service with 2.5 gigabit speeds in Chippewa County, Wisconsin, in the Town of Lafayette. Public-private partnerships have been developed between Bloomer Telephone Company and both Chippewa County and the Town of Lafayette. Together, we are asking the Wisconsin Public Service Commission (the Commission) for \$2,819,449 (75.5 percent) through the Fiscal Year 2022 Broadband Expansion Grant to match the partnership's \$913,643 contribution.

Bloomer Telephone Company carefully mapped the proposed project area based on the Commission's State Broadband Eligibility Grant Map and its knowledge of service offerings in the area. Due to this diligence, the proposed project area is completely underserved, with pockets of unserved residents and businesses having little to no wireline or wireless options for accessing the internet.

Bloomer Telephone Company is proposing to provide 2.5 Gbps symmetrical FTTH broadband internet services at affordable, competitive rates to the 423 locations in the proposed project area in rural parts of Chippewa County. Bloomer Telephone Company anticipates gaining 296 total subscribers from the project, or a penetration rate of 70 percent. The locations include households, farms, a few businesses, and some residences likely serving as home offices for those who telework or those who run a small business out of their homes. To help the residents in the proposed project area access high internet speeds, Bloomer Telephone Company's service offerings will include a low-cost option, and the Company will participate in the Affordable Connectivity Program.

Access to FTTH services would improve economic and health outcomes in the proposed project area by increasing access to distance learning, remote work opportunities, and telemedicine. For students in the proposed project area, a better internet connection with strong upload speeds will enable them to be seen and heard clearly in the virtual classroom. For farmers in the proposed project area, FTTH services enable the use of precision agriculture, which benefits both crop and livestock production through increasing sustainability, refining resource allocation, and improving operational efficiency. FTTH access not only benefits current residents, but it attracts prospective residents as well. Increased interest in an area raises property values, furthering opportunities for additional investment in the community.

Bloomer Telephone Company's proposed project will increase competition in an underserved area by providing 2.5 Gbps to locations that have access to fewer than two providers qualifying broadband service (25 Mbps / 3 Mbps). No adverse effect on any current or potential provider in the surrounding area will result from the project, which will bring affordable, high-quality, and high-speed broadband service to an area that desperately needs it.

Mandatory Application Requirements

Applicant Identification and Contact Information

Entity Contact Information

Name of Entity: BTC Communications dba Bloomer Telephone Company

Mailing Address: 1120 15th Avenue, Bloomer, WI 54724

Telephone Number: 715-568-4830

Contact: Kent Klima, Vice President & General Manager

Email: kent.klima@bloomer.net

Contact Information for Public-private Partnership Members

Name of Entity: Chippewa County

Mailing Address: 711 N. Bridge Street, Chippewa Falls, WI 54729

Telephone Number: 715-232-2429

Contact: Dean Gullickson, Chair, Chippewa County Board of Supervisors

Email: dgullickson@co.chippewa.wi.us

Name of Entity: Town of Lafayette

Mailing Address: 5765 197th St, Chippewa Falls, WI 54729

Telephone Number: 715-723-7692

Contact: Dave Staber, Chairman of the Town of Lafayette

Email: <u>lafayette@lafayettetownship.org</u>

Demonstrating Partnership Eligibility

BTC Communications dba Bloomer Telephone Company is the subsidiary of an incumbent local exchange carrier that is certified to provide telecommunications services in the State of Wisconsin pursuant to Section 196.5(2)(b) of the Wisconsin State Statutes, with non-exclusive statewide operating authority. Bloomer Telephone Company (PSCW Utility #590) currently serves the Bloomer exchange of Wisconsin in NECA Study Area #330850.

Bloomer Telephone Company currently provides 2,732 broadband internet subscribers with up to 1 Gbps symmetrical service using the Company's state-of-the-art fiber-to-the-home Network. Bloomer Telephone Company also provides telephone service to 2,291 subscribers and video services to 1,154 subscribers using the same network. Fiber networks serve the communities of Bloomer, Colfax, and Elk Mound, with additional service to Eagle Point and Tilden available later this year.

Description of the Project

Description of the Proposed Project Area

BTC Communications dba Bloomer Telephone Company is proposing a fiber-to-the-home (FTTH) project to serve 423 locations with broadband internet service with 2.5 gigabit speeds in Chippewa County, Wisconsin, in the Town of Lafayette. Bloomer Telephone Company will construct 76.75 miles of fiber across approximately 21 square miles in the proposed project area. This project represents the next stage in a multi-phase project to bring FTTH services to residents and businesses in Chippewa County. Public-private partnerships have been developed between Bloomer Telephone Company and both Chippewa County and the Town of Lafayette. Together, we are asking the Wisconsin Public Service Commission (the Commission) for \$2,819,449 (75.5 percent) through the Fiscal Year 2022 Broadband Expansion Grant to match the partnership's \$913,643 contribution.

Data from the U.S. Census Bureau indicates the population of Lafayette is 5,765, with 36,785 people in Chippewa County. Chippewa Falls Area Unified School District serves the proposed project area, and data from the National Center for Education Statistics shows the district serves 4,844 students. The district has informed Bloomer Telephone Company that students residing in rural parts of the district, like those in the proposed project area, lack access to high-speed internet services and are left at a disadvantage.

To provide these students and their neighbors access to affordable, reliable, high-speed broadband internet, Bloomer Telephone Company has partnered with the Town of Lafayette and Chippewa County. Awarding Broadband Expansion Grant funds for the project would enable the following outcomes:

- the Chippewa Falls Area Unified School District would be able to fully take advantage of their one-laptop-per-student initiative;
- the Town of Lafayette would receive much-needed economic investment, resulting in higher home values; and
- the well-being of residents in the proposed project area would improve through access to telemedicine.

Documentation Demonstrating Broadband Availability in the Proposed Project Area
Bloomer Telephone Company designed its proposed project area using the Commission's State
Broadband Eligibility Grant Map and only selected designated as underserved or unserved.
Information received from residents, technical knowledge of available services, and research
performed to evaluate broadband availability confirms the Commission's data. No address in the
proposed project area is served by two or more providers of qualifying broadband services (25
Mbps / 3 Mbps). Those that have access to internet services often can only do so through fixed
wireless technology, aging DSL, or satellite services. Much of the proposed project area is
completely unserved by wireline providers. The only available service for many is AT&T Fixed
Wireless, which has self-reported download speeds of 10 Mbps.

Explanation of how Proposed Project will Increase Broadband Access

Bloomer Telephone Company's proposed project will serve 392 underserved locations and 31 unserved locations with fiber-to-the-home (FTTH) high-speed internet access in an area where no fiber-based broadband is available for end users. FTTH access offers faster, more reliable access to services that are not limited by aging copper facilities. Using initially deployed customer premise equipment and a direct, in-home network connection, broadband services will be available to residential and business customers starting at speeds of 100 Mbps download and 100 Mbps upload and reaching (and eventually surpassing) 2.5 Gbps download and 2.5 Gbps upload.

FTTH technology is scalable to speeds of 10 Gbps and faster. For the handful with wireline service, advertised available download speeds in the proposed project area from AT&T range from 0.5 Mbps to 6 Mbps. These homes are rural, with long driveways far from the road. Loop length in these areas significantly inhibits customers from receiving advertised speeds. Fixed wireless services offered by AT&T and US Cellular offer download speeds that do not surpass 10 Mbps.

Statement Regarding Last-Mile Aspect of the Proposed Project

The proposed project includes only distribution and last-mile fiber facilities. The project is an extension of Bloomer's existing fiber network, with dedicated backbone, distribution, feeder, and drop fiber to customer premises. No middle mile infrastructure or costs are included in this grant application. Bloomer Telephone Company currently maintains sufficient middle mile and backhaul facilities, and it has capacity on its existing backbone ring network to deliver high-speed broadband services to all proposed and future last-mile subscribers in the proposed project area.

Description of the Broadband Service to be Provided

Bloomer Telephone Company will provide high-speed wireline broadband service using a FTTH network design. The proposed network will be an extension of the fiber network currently in place and used in Bloomer Telephone Company's existing service territory. Bloomer Telephone Company will deploy an XGS-PON 10 Gigabits Symmetrical Passive Optical Network (PON). Bandwidth in an XGS-PON network is comprised of 10 Gbps downstream and 10 Gbps upstream, thus symmetrical bandwidths. The bandwidth is shared by all subscribers connected to the PON via a passive optical splitter. Dynamic bandwidth allocation and statistical multiplexing enable more effective bandwidth usage, allowing users higher effective throughput when needed.

The PON architecture is designed for straightforward upgrade to even higher bandwidth PON architectures, using different wavelengths for multiple 10 Gbps signals or even higher bandwidths in the future, without changing out any of the physical infrastructure other than the electronics (laser transmitters and receivers) at the nodes and Optical Network Terminals (ONTs) at the customer premises for those customers who want the especially high bandwidth. Existing PON FTTH subscribers can remain at the deployed system bandwidth or upgrade with no

changes to the existing optical fiber PON, other than possibly the insertion of specialty optical isolators at the node that provision for more wavelengths, if needed.

Upon completion of the proposed project, the following service packages will be available:

Residential & Business Service Offerings			
Download Speeds	Upload Speeds	Monthly Price	
100 Mbps	100 Mbps	\$49.95	
250 Mbps	250 Mbps	\$79.95	
500 Mbps	250 Mbps	\$129.95	
1 Gbps	250 Mbps	\$199.95	

As previously stated, speeds greater than those listed are possible with the network architecture Bloomer Telephone Company will implement in the proposed project area, with pricing and service packages yet to be established.

To facilitate e-learning opportunities, improve access to telemedicine and work-from-home employment, and help the Chippewa Falls Area United School District take advantage of their 1:1 laptop to student ratio, Bloomer Telephone Company will offer service packages with symmetrical speeds, in addition to a 100 Mbps symmetrical low-cost option that becomes less than \$20 per month when the subscriber is a participant in the Affordable Connectivity Program (ACP) and receives the program's \$30 a month discount.

When compared to the Federal Communications Commission's 2022 Broadband Reasonable Comparability Benchmark Calculator, the affordability of Bloomer Telephone Company's rates becomes clear. The US Benchmark Rate for 100 Mbps symmetrical is \$96.47 per month, over 93 percent more expensive than Bloomer Telephone Company's monthly rate for the same service. For 250 Mbps symmetrical, the US Benchmark Rate is \$110.53, over 38 percent more expensive than the proposed project's rates.

Voice-over-Internet-Protocol (VoIP) services and video services will be available for subscribers upon request as an optional service.

Proposed Project Schedule

If Bloomer Telephone Company's application is approved by the Commission by the end of August 2022, the following deployment schedule will be used to complete the proposed project:

- September 2022– April 2023 → Order and stage equipment
- May $2023 \text{Nov } 2024 \rightarrow \text{Bury new fiber facilities}$
- July 2023 October of 2024 \rightarrow Install electronics
- December of 2023 \rightarrow Begin services

Itemized Budget

Appendix II of this application and the itemized cost list below summarize the construction costs for the proposed network. All construction and installation costs will be managed by Bloomer Telephone Company. The company will use internal employees and trusted third-party contractors that the company has successfully used in similar fiber construction projects. The proposed network infrastructure will be owned by Bloomer Telephone Company.

Bloomer Telephone Company's application complies with all budgetary and financial requirements under the FY 2022 Broadband Expansion Grant program. Grant funds requested in this application will only be used for authorized services. Ongoing expenses or monthly bills of telecommunications subscribers will not be subsidized with grant funds. Bloomer Telephone Company affirms that all grant funds requested in this application will be used for the sole purpose of constructing broadband infrastructure in the underserved proposed project area.

Budget Detail

Description / Category:			
*Buried fiber network of 77miles of 12 to 288 fiber strand cable, including splicing, pedestals, handholes and equipment & engineering costs		\$	3,410,789
Equipment-detail below		\$	271,201
*Equipment shelter, cabinets, vaults, power, splitters, fiber panels	\$ 102,124		
*XGS-PON shelf, blade, sfps	\$ 96,745		
*ONT'S	\$ 72,331		
Labor (Salary, Fringe)		\$	51,102
Total:		\$ 3	,733,092.00

Priority Factors Supporting the Application

Matching Funds

The financial contributions of the Town of Lafayette, Chippewa County, and Bloomer Telephone Company amount to \$913,643 or 24.47 percent of the \$3,733,092 project. The Town of Lafayette will provide \$50,000, Chippewa County will provide \$229,143, and Bloomer Telephone Company will provide \$634,500 in matching funds. In addition, the Town of Lafayette is making an in-kind contribution to the proposed project in the form of waiving all the normal fees and expenses for obtaining permits or permissions required from the Town Board.

Public-private Partnerships

Bloomer Telephone's public-private partnerships demonstrate the level of community support the company has garnered for the project. The partnerships were developed in collaboration with the Chippewa County Board of Supervisors and the Town of Lafayette Board, who have both pledged to support the project through providing financial assistance, granting permission on and across property to construct the proposed project, and prioritizing the project in internal planning documents. The Town of Lafayette will also provide in-kind donations to waive certain fees and expenses normally required for construction projects. Public-private partnership agreements have been included with this application in Appendix III.

Existing Broadband Service

Bloomer Telephone Company designed its proposed project area using the Commission's Broadband Availability Map and only selected areas designated as underserved or unserved. Information received from residents, technical knowledge of available services, and research performed to evaluate broadband availability confirms this data.

No address in the proposed project area is served by two or more providers of qualifying broadband services (25 Mbps / 3 Mbps). Those that have access to internet services often can only do so through fixed wireless technology, aging DSL, or satellite services. No high-speed service offering exists in the proposed project area. Wireline access is only available to a handful of residents.

Advertised available download speeds in the proposed project area from Charter/Spectrum in the handful of areas with coverage range from 200 Mbps to 940 Mbps, with upload speeds approaching 35 Mbps in the fastest package. On a short stretch of road in the proposed project area, Charter/Spectrum provides wireline services, but it is the only provider of broadband speeds in the area. Consequently, these locations are underserved. The remainder of the proposed project area is almost completely unserved by wireline.

Fixed wireless service available from AT&T advertises speeds up to 25 Mbps download, but their terms and conditions reveal that actual speeds are closer 10 Mbps by 1 Mbps. FTTH technology is scalable to speeds of 10 Gbps and faster.

Bloomer Telephone Company's application avoids duplicating existing broadband infrastructure as no FTTH services exist in the proposed project area. The vast majority of locations in the proposed project area are only served by satellite providers.

Project Impact

Bloomer Telephone is proposing to provide 2.5 Gbps symmetrical fiber-to-the-home (FTTH) broadband internet services at affordable, competitive rates to the 423 locations in the proposed project area in rural Chippewa County in the Town Lafayette, Wisconsin. Bloomer Telephone Company anticipates 275 total subscribers from the project, or a penetration rate of 65 percent.

Bloomer Telephone Company's proposed project area lies southeast of Chippewa Falls, beginning near the intersection of Vance Road and N 90th Avenue, stretching north past 40th Avenue and extending eastward to where 220th Street meets State Highway 29. The terrain features deciduous and mixed forests, herbaceous and woody wetlands, and developed residential areas. Data from the United States Department of Agriculture's CroplandCROS map indicates many farms exist in the proposed project area. These farms grow alfalfa, beans, corn, livestock, oats, rye, and soybeans. The area also features popular apple orchards and pumpkin patches, tourist sites that visitors from neighboring cities come to every fall.

To serve the proposed project area, Bloomer Telephone Company will provide high-speed wireline broadband service using a FTTH network design. Service packages will include: 100 Mbps symmetrical for \$49.95 per month, 250 Mbps symmetrical for \$79.95 per month, 500 Mbps by 250 Mbps for \$129.95 per month, 1 Gbps by 250 Mbps for \$199.95 per month, and 2.5 Gbps symmetrical for to-be-determined price. Speeds greater than those listed are possible with the network architecture Bloomer Telephone Company will implement in the proposed project area. Pricing for these service packages have yet to be established.

For low-income individuals and families, Bloomer Telephone Company will participate in the Affordable Connectivity Program (ACP), which will provide up to \$30 per month in discounts for broadband internet services. With that discount, Bloomer Telephone Company's low-cost 100 Mbps symmetrical service offering becomes \$19.95 per month. ACP discounts will be offered to every subscriber in the proposed project area, and instructions on how to apply will be added to Bloomer Telephone Company's website.

Scalability

Bloomer Telephone's proposed project will offer the same FTTH services it offers in its current service area while increasing the number of users the Company serves by 8.35 percent. The

proposed project will add 1 node to the Company's network, serving approximately 21 square miles.

As previously stated, the proposed project will deploy an XGS-PON 10 Gigabits Symmetrical Passive Optical Network (PON). Bandwidth in an XGS-PON network is comprised of 10 Gbps downstream and 10 Gbps upstream, thus symmetrical bandwidths. The bandwidth is shared by all subscribers connected to the PON via a passive optical splitter. Dynamic bandwidth allocation and statistical multiplexing enable more effective bandwidth usage, allowing users higher effective throughput when needed.

The PON architecture is designed for straightforward upgrade to even higher bandwidth PON architectures, using different wavelengths for multiple 10 Gbps signals or even higher bandwidths in the future, without changing out any of the physical infrastructure other than the electronics (laser transmitters and receivers) at the nodes and Optical Network Terminals (ONTs) at the customer premises for those customers who want the especially high bandwidth. Existing PON FTTH subscribers can remain at the deployed system bandwidth or upgrade with no changes to the existing optical fiber PON, other than possibly the insertion of specialty optical isolators at the node that provision for more wavelengths, if needed.

The proposed project is intended to grow to ultimately accommodate all future residential and business in the proposed project area. The project will initially deploy ultrafast broadband services over fiber facilities suitable for broadband at practically unlimited speeds, well in excess of the state's threshold of 25 Mbps / 3 Mbps. Expansion and improvement of services over time will include:

- Installing battery backup power, upon request, when voice services are provided and complying with all future state and federal requirements regarding battery replacement;
- Adhering to mandated increases in the speed and latency requirements of broadband services; and
- Participating in the Federal Communications Commissions' Affordable Connectivity Program to provide low-income customers with a discount on broadband services.

Bloomer Telephone Company is committed to bringing FTTH services to rural Wisconsin. Multi-phase projects to Bloomer and Colfax have been completed, and expansion efforts in other areas are still underway. Bloomer Telephone Company will continue to expand its network with the Commission's support.

Economic Development

A fiber-to-the-home connection creates significant potential for economic development, particularly in rural, sparsely populated areas. Like a telephone connection 70 years ago, access to the latest communication technology provides opportunity for commerce, education, and access to vital services like healthcare. Bloomer Telephone Company's proposed project will provide 423 locations with access to FTTH services, improving economic, educational, and health outcomes in the proposed project area. By increasing access to distance learning, remote

work opportunities, and telemedicine, the proposed project will have a strong, positive effect on the local economy. As identified in the letters of support provided in Appendix I of this application, high-speed internet is desperately needed in the proposed project area, particularly to support video conferencing technology.

FTTH's high speeds and reliable connection will enable children and adults alike to easily take advantage of distance learning opportunities, which is vital to economic development. Investing in educational opportunities ensures prosperity for future generations through a skilled, diversified workforce. High upload speeds made possible with a FTTH connection will enable individuals in the proposed project area to attend and participate in virtual classes offered at the University of Wisconsin-Eau Claire. For students in the proposed project area that attend school at the Chippewa Falls Area Unified School District, a reliable connection will enable full use of the laptops and i-Pads the students have been provided. FTTH service will allow students to complete their homework without fear of an interrupted or slowed network connection.

Many individuals in the proposed project area work in the information, finance, and health insurance industries and could perform their job functions from home. With this type of client-focused work, video conferencing is a frequent part of conducting business. Like with distance learning, high upload speeds are necessary to adequately participate in a video conference meeting. Current levels of service available in the proposed project area leave residents with slow upload speeds little choice in internet service provider, with many using mobile hotspot technology to access the internet via their cellular device. This type of service quickly becomes prohibitively expensive. With a FTTH connection, telecommuting becomes more feasible, which in turn makes homes in the proposed project area more valuable.

Affordable, high-speed internet access not only benefits current residents, but it attracts potential residents as well. As evidenced in the letter of support in Appendix I from Ashley Construction, LLC, who is building a rural housing development project in rural Chippewa County, a fast internet connection drives interest to homes and suburbs, but a lack of a fast connection is holding expansion back. With increased interest in an area comes higher real estate values, larger property taxes, and more opportunities for further community investment. Researchers from the University of Wisconsin-Whitewater found that access to gigabit internet services like the proposed project increase the value of a home by thousands of dollars, equivalent to the addition of a fireplace or approximately half the value of adding a bathroom. Studies from the University of Colorado and Carnegie Mellon University have confirmed these findings. (The Wall Street Journal, *How Fast Internet Affects Home Prices*, Ryan Knutson (June 2015). https://web.archive.org/web/20201021095911/https://www.wsi.com/articles/how-fast-internet-affects-home-

https://web.archive.org/web/20201021095911/https://www.wsj.com/articles/how-fast-internet-affects-home-pricesfast-internet-access-can-boost-a-homes-value-1435694077?tesla=y).

Effect on Broadband Service to Adjacent Areas

Bloomer Telephone Company's proposed project will increase competition in an underserved area by providing 2.5 Gbps to areas that have access to only one provider of digital subscriber line (DSL) service. Neither fixed wireless providers nor mobile home internet providers been

identified as serving the proposed project area. No adverse effect on any current or potential provider in the surrounding area will result from the project, which will bring affordable, high-quality, and high-speed broadband service to an area that desperately needs it.

Other Information Supporting the Application

History of Broadband Construction Projects

Bloomer Telephone Company has served the Bloomer area since 1901 and has provided high-speed internet services since 1996. In 2006, Bloomer Telephone Company began a fiber-to-the-home (FTTH) project in its incumbent-local-exchange (ILEC) area. By 2017, 100 percent of customers in the ILEC area were using this FTTH service. Bloomer Telephone Company now serves 2,732 customers with FTTH and continues to extend their fiber network to rural customers in the surrounding communities.

Between 2018 and 2022, Bloomer Telephone Company has applied and secured grant funding for six separate Broadband Expansion Grants through the Commission to provide FTTH services. They include a \$2.49 million project to serve 205 locations in the Town of Eagle Point, a \$1.26 million project to serve 100 locations in the Town of Tilden, a \$1.25 million to serve 227 locations in the Town of Colfax (phase one), a \$1.90 million project to serve 475 locations in the Town of Colfax (phase two), a \$718K project to serve 113 locations in Bloomer School District (phase one), and a \$1.33 million project to serve 255 locations in Bloomer School District (phase two). These projects have had a take rate of approximately 75 percent.

Statement Regarding Proposed Project and Duplicative Infrastructure

Bloomer Telephone Company's proposed project does not duplicate existing broadband infrastructure. Residents in the proposed project areas uniformly say they have no access to fast broadband from their incumbent provider. It is Bloomer Telephone Company's belief that these locations are at the edge of the incumbent provider's exchange and that advertised speeds do not match possible speeds.

Financial Ability to Undertake the Proposed Project

Bloomer Telephone Company has demonstrated its financial preparedness and operational skills through the completion of four of the Commission's Broadband Expansion Grant awards and has won two other expansion grant awards that begin construction this year. The company has offered state-of-the-art telecommunications services since operations began in 1901. Bloomer Telephone Company's success in completing and surpassing adoption targets on its Broadband Expansion Grant awards provides additional proof of the Company's strong financial and operational capabilities. All revenues have been reported to the Commission under the Annual

Questionnaire for Telecommunications Utilities that describes regulated and non-regulated revenues.

Impact of Proposed Project on Access to Telemedicine

Access to telemedicine would greatly improve public health outcomes in the proposed project area. Residents in these areas need access to high speeds for video conferencing to see the doctor as easily as someone who lives in the city. For elderly residents especially, can be quite difficult. At-home virtual visits lessen the strain on patients and those who care for them. More virtual healthcare appointments mean less people visiting hospitals and healthcare facilities in person, reducing the spread of disease and easing the strain on the facility's resources. Telemedicine services in Eau Claire from Privea, Mayo Clinic, Marshfield Clinic, and St. Joseph / Sacred Heart in Chippewa Falls will be readily available over the proposed network. This is an important feature of high-speed internet for many subscribers in the communities Bloomer Telephone Company serves.

Impact of Proposed Project on Access to Educational Opportunities from Home

Children in rural parts of Chippewa Falls Area United School District and the Cadott School District, like those in the proposed project area, lack access to distance learning opportunities and are being left behind. Access to high speeds and a reliable connection will enable children and adults alike to easily take advantage of distance learning opportunities in the proposed project area and complete their homework at home. High upload speeds made possible with a FTTH connection will enable students to attend and participate in virtual classes, including those offered at the or at the University of Wisconsin-Eau Claire or at Chippewa Valley Technical College in Chippewa Falls. For students in the proposed project area that attend school in Chippewa Falls Area United School District, a reliable connection will enable full use of the laptops and i-Pads the students have been provided. The services Bloomer Telephone Company will provide will allow students to complete their homework without fear of an interrupted or slowed network connection.

Other Equitable Factors

Bloomer Telephone Company has provided services for over 100 years. During that time, it has developed relationships with equipment providers, local construction crews, consultants, and providers of capital. To demonstrate the relationships Bloomer Telephone Company has developed in the community, letters of support for the proposed project have been collected and included in full in Appendix I. These letters detail the immense need for high-speed internet in the proposed project area, and describe potential benefits to educational attainment, economic development, and public health in the community. Bloomer Telephone Company's proposed project will allow children to learn at home in the same way as their urban counterparts, increase

home values, make telemedicine a reality for many, and increase the area's attractiveness to new residents and businesses.

Bloomer Telephone Company is committed to supporting broadband adoption and does so through door-to-door campaigns to sign residents up for affordable high-speed internet. For subscribers, the Company provides top-notch technical support from local experts and maintains a resource library detailing troubleshooting options for connecting to and using the internet. During the height of the COVID-19 pandemic, Bloomer Telephone Company also provided free hotspots to the community and partnered with the Bloomer School District to bring its students fast, affordable internet to support distance learning efforts.

Bloomer Telephone Company and its partners on the proposed project are deeply involved with bringing broadband to rural Wisconsin. With the Commission's support, this project can enact real change for the people of Lafayette.

Appendix

- Appendix I Letters of Support
 Appendix II Itemized Cost List
 Appendix III Public-private Partnership Letters

Appendix I. Letters of Support



March 10th, 2022

Steffany Powell Coker, Secretary to the Commission North Tower, 6th Floor 4822 Madison Yards Way Madison, WI 53705

Dear Secretary Coker,

I am writing to you today to support the Bloomer Telephone Company in their bid for the State of WI FY2022 Broadband Expansion Grant. Access to the internet opens doors for communities in many ways. It allows them to offer distance learning, telemedicine, and multi-participant interactive programming, among so many other things.

Many residents in more rural communities lack the necessary access to broadband and it puts them at disadvantage to compete with those around them. Access to the internet will assist this area immensely. This is a key area within the state that lacks this service, which is a service needed in a 21st century world. This grant and subsequent broadband service in the area would help those in school and those working from home, especially following the events of this pandemic. It would also give this area opportunity to grow and expand on what types of business can operate in the area.

This is an incredible opportunity and a wise investment for the rural residents of the townships of Hallie, Lafayette, and Seymour and Eau Claire and Chippewa County, and the overall State of Wisconsin. Thank you for considering the Bloomer Telephone Company for the State of WI FY2022 Broadband Expansion Grant.

Sincerely,

Jesse L. James

State Representative 68th Assembly District



March 8, 2022

Commissioner Ellen Nowak Public Service Commission of Wisconsin 4822 Madison Yards Way North Tower - 6th Floor Madison, Wisconsin 53705-9100

RE: Support For Towns of Colfax/Elk Mound Grant

Dear Ms. Nowak,

On behalf of the Chippewa County Economic Development Corporation, I am writing in support of Bloomer Telephone Company's grant applications to expand broadband within the Towns of Colfax, Tilden, Eagle Point, Lafayette, Hallie, and Seymour. These projects will add approximately 225 miles of broadband fiber to underserved areas of Chippewa County.

As you know, there is a positive relationship between broadband expansion and economic growth, especially in areas with lower population densities. The residents of rural Chippewa County work for varying areas of business, including agriculture, information, finance, and health insurance companies, and would benefit greatly from this broadband access development.

In addition to the workforce, students in public schools will also greatly benefit from having access to fast and reliable broadband connections. It is crucial for a community to invest in their future workforce, which comprises of public and private schools at all levels. Broadband Internet access allows students to conduct research outside their library, take part in online learning programs across the country, and expand their learning beyond the classroom.

Additionally, many modern businesses and industries rely on broadband in order to successfully operate. The absence of strong broadband connection encourages talent that is being produced from Chippewa Valley Technical College (CVTC) and UW-Stout to find work and start businesses elsewhere. The expansion of broadband to rural areas will ensure that Wisconsin does not fall behind in economic and technology development, and that the area stays just as successful as an urban or suburban area.

I urge that the Public Service Commission (PSC) approve the Broadband Expansion Grant applications submitted by Bloomer Telephone Company, and look forward to answering your questions about our support for this project.

Sincerely,

Charlie Walker President/CEO

Charle & Wolker

Chippewa County Economic Development Corporation

1



ASHLEY CONSTRUCTION, LLC.

P: 715.271.6504

E: ADAM@ASHLEYCONSTRUCTION.CO

A: 17995 120TH AVE. CHIPPEWA FALLS, WI 54729

Date: 03/11/2022

To whom it may concern:

We are a home building and real estate property development company. We have heard from dozens of potential buyers/build customers over the last two years that they will not live in any area without high speed broadband internet. This has been economically detrimental to many in Hallie, Lafayette, and Seymour. We want to expand our RiverBelle development in Lafayette, but the lack of a reliable ISP is holding us back. We have another development in Lafayette that has this service and we've sold 95 of 99 lots in less than three years. The feedback that we've received is that high speed internet played a big part in this.

Thank you!

Sincerely,

Adam Ashley

Eau Claire Energy Cooperative

Your Touchstone Energy® Partner

March 14, 2022

Lynn Thompson, President and CEO Eau Claire Energy Cooperative 8214 U.S. Hwy 12 Fall Creek WI 54742

Stephany Powell Coker Secretary to the Commission Public Service Commission of Wisconsin 4822 Madison Yards Way North Tower – 6th Floor Madison, WI 53705-9100

Re: Letter of support for Bloomer Telephone Company grant application - Town of Lafayette

Ms. Coker:

Eau Claire Energy Cooperative (ECEC) provides this letter of support for the Town of Lafayette Broadband grant application.

ECEC is enthusiastically supporting this grant application. As a small locally owned company we have high confidence in Bloomer Telephone delivering excellent broadband services to the underserved residents of this township. Many of these residents are our members and they deserve access to the same connectivity that their urban neighbors enjoy.

Please feel free to contact me if you require any additional information.

Sincerely,

President/CEO

8214 Hwy 12 • PO Box 368 Fall Creek, WI 54742-0368

www.ecec.com

715-832-1603 • Fax: 715-832-2055

County Board - Special Meeting - Feb 24, 2022 6:00 PM

- 2. AZO: 02 22 : Rezone Petition: 2022-0001 Eagle Point
- 3. 6865 : County Administrator Appointment Local Emergency Planning Committee (LEPC)

REPORTS

A. County Administrator Review and Update

B. Department Reports

1. 2021 Annual Jail Inspection - Curt Dutton

Sheriff Kowalczyk and Jail Captain Curt Dutton presented information on the annual jail inspection. This is the 4th year in a row that the Chippewa County Jail received zero violations.

2. Recognition of County Board Supervisors 2020 - 2022 - Jaclyn Sadler

County Clerk, Jaclyn Sadler, presented the County Board Supervisors with a certificate of service and thanked the supervisors for their service the last two years.

C. General Reports

8. BUSINESS ITEMS

 Res. 06 - 22: Resolution to Provide ARPA Broadband Funds for Bloomer Telephone PSC Application -Randy Scholz

County Administrator Scholz clarified the fiscal statement for the board. The fiscal statement does NOT show/include \$650,000 the project is receiving from the Town of Seymour and Eau Claire County. The total cost of the project does include the amount.

Kent and Travis from Bloomer Telephone answered questions from the Board

RESULT: APPROVED [10 TO 4]

MOVER: James Mickelson, District 8

SECONDER: Ken Schmitt, District 3

AYES: Gullickson, Schmitt, McMenamin, Hauser, Mickelson, Shipman, Eisenhuth, Ives,

Hunt, McGill

NAYS: Sikorski, Steele, Ericksen, Kervina

EXCUSED: Hull

 Res. 07 - 22: Resolution to Provide ARPA Broadband Funds for Ntera PSC Application - Randy Scholz County Administrator Scholz spoke on the resolution.

Appendix II. Itemized Cost List

Budget Detail

Description / Category:			
*Buried fiber network of 77miles of 12 to 288 fiber strand cable, including splicing, pedestals, handholes and equipment & engineering costs		\$	3,410,789
Equipment-detail below		\$	271,201
*Equipment shelter, cabinets, vaults, power, splitters, fiber panels	\$ 102,124		
*XGS-PON shelf, blade, sfps	\$ 96,745		
*ONT'S	\$ 72,331		
Labor (Salary, Fringe)		\$	51,102
Total:		\$ 3	,733,092.00

Appendix III. Public-private Partnership Letters



PUBLIC-PRIVATE PARTNERSHIP AGREEMENT

By and between the County of Chippewa, Wisconsin, and Bloomer Telephone Company

THIS AGREEMENT is made this 10th day of March, 2022 by and among the Participating Parties (defined below) located in the State of Wisconsin (the "State") which, through their duly authorized representatives, have signed this agreement.

WHEREAS, the County of Chippewa, a political subdivision of the State of Wisconsin, seeks to help and provide resources and the support necessary for economic development for this project; and

WHEREAS, Bloomer Telephone Company, a Wisconsin corporation doing business in the County, proposes to expand broadband capability to reach un-served and underserved residences, businesses and farms in the County of Chippewa where such service is currently unavailable or is prohibitively expensive; and

WHEREAS, it is currently expected that the proposed broadband expansion would be constructed in areas within the County of Chippewa, State of Wisconsin and enhanced broadband access and availability will be utilized to position the County of Chippewa for desirable economic growth by addressing existing service disparities; and

WHEREAS, to further support its application for the State broadband funding grant, Docket Number 5-BF-2022, the Bloomer Telephone Company has requested that the County of Chippewa enter into an agreement, referred to as a Public-Private Partnership Agreement, to assist in the Project by:

- Providing Financial assistance to the Project in the form Federal and State provided funding through the American Rescue Plan Act Broadband Access Grant program;
- Granting permission on and across County property upon request and when deemed by the County as appropriate to engage in activities to construct the Project in compliance with all existing rules and regulations;
- Recognizing that the Project is a priority and is consistent with any internal planning documents adopted by the County of Chippewa.

1120 15th Avenue Bloomer, Wisconsin 54724 715-568-4830 Bloomer.net | **F**

This institution is an equal opportunity provider and employer.



NOW THEREFORE, it is hereby agreed by and among the Parties as follows:

- Records, The County of Chippewa will maintain and be the custodian of all records associated with the administering and performance of this Agreement and will make those records available upon request.
- 2. Reporting, The Bloomer Telephone Company shall meet with the County Board on a semi-annual basis for the purposes of presenting an oral and written report on the status of the Project. The date, time and place of such meeting shall be determined cooperatively among the parties. No fewer than seven (7) days prior to such meeting, the Bloomer Telephone Company shall provide the written report to the County regarding siting and construction progress with respect to the Project.
- Effective Date, This agreement shall become effective upon its adoption and shall remain in full force and effect until terminated as provided herein.
- **4.** New Members, After the effective date of this Agreement, additional municipalities may join in this Agreement.
- 5. <u>Termination</u>, This Agreement shall be deemed terminated by any party upon thirty (30) days written notice requesting termination of this Agreement in whole or in part.
- **6.** Severability, The terms of this Agreement are severable and any determination by any court or agency having jurisdiction over the subject matter of the Agreement that results in the invalidity of any part shall not affect the remainder of the Agreement.
- 7. <u>Amendments</u>, The terms of this Agreement shall not be amended without the written authorization of the governing bodies of all the Participating Parties.
- 8. <u>Governing Law,</u> This Agreement shall be governed by the laws of the State of Wisconsin.
- 9. <u>Counterparts</u>, This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

COUNTY OF Chippewa, State of WI

A Participating Party

Dean Gullickson – COUNTY of Chippewa Chairperson

A Dellila

Date: March 10, 2022

BLOOMER TELEPHONE COMPANY

A Participating Party

Kent Klima - VP & GM

Date: March 10, 2022

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This institution is an equal opportunity provider and employer.



PUBLIC-PRIVATE PARTNERSHIP AGREEMENT

By and between the Town of Lafayette, Wisconsin, and Bloomer Telephone Company

THIS AGREEMENT is made this 9th day of March, 2022 by and among the Participating Parties (defined below) located in the State of Wisconsin (the "State") which, through their duly authorized representatives, have signed this agreement.

WHEREAS, the Town of Lafayette, a political subdivision of the State of Wisconsin, seeks to help and provide resources and the support necessary for economic development for this project; and

WHEREAS, Bloomer Telephone Company, a Wisconsin corporation seeking to do business in the Township, proposes to expand broadband capability to reach un-served and underserved residences, businesses and farms in the Town of Lafayette where such service is currently unavailable or is prohibitively expensive; and

WHEREAS, it is currently expected that the proposed broadband expansion would be constructed in areas within Lafayette Township, Chippewa County, Wisconsin and enhanced broadband access and availability will be utilized to position the Town of Lafayette for desirable economic growth through addressing existing service disparities; and

WHEREAS, to further support its application for the State broadband funding grant, Docket Number 5-BF-2022, the Bloomer Telephone Company has requested that the Town of Lafayette enter into an agreement, referred to as a Public-Private Partnership Agreement, to assist in the Project by:

- Providing Financial and in-kind assistance to the Project, in the form Federal, State, County and Township provided funding through the American Rescue Plan Act Broadband Access Grant program, waiving all of the normal fees and expenses for obtaining permits or permissions required from the Town Board;
- Grant permission on and across Township property, to engage in activities to construct the Project in compliance with all existing rules and regulations;
- Recognizing that the Project is a priority, and is consistent with any internal planning documents adopted by the Lafayette Town Board.

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NOW THEREFORE, it is hereby agreed by and among the Parties as follows:

- Records, The Town of Lafayette will maintain and be the custodian of all records associated with the administering and performance of this Agreement and will make those records available upon request.
- 2. Reporting, The Bloomer Telephone Company shall meet with the Lafayette Town Board on a semi-annual basis for the purposes of presenting an oral report on the status of the Project. The date, time and place of such meeting shall be determined cooperatively among the parties. No fewer than seven (7) days prior to such meeting, the Bloomer Telephone Company shall provide a report regarding siting and construction progress with respect to the Project.
- 3. <u>Effective Date</u>, This agreement shall become effective upon its adoption and shall remain in full force and effect until terminated as provided herein.
- New Members, After the effective date of this Agreement, additional municipalities may join in this Agreement.
- 5. <u>Termination</u>, This Agreement shall be deemed terminated by any party upon thirty (30) days written notice requesting termination of this Agreement in whole or in part.
- 6. Severability. The terms of this Agreement are severable and any determination by any court or agency having jurisdiction over the subject matter of the Agreement that results in the invalidity of any port shall not affect the remainder of the Agreement.
- Amendments, The terms of this Agreement shall not be amended without the written authorization of the governing bodies of all the Participating Parties.
- 8. Governing Law, This Agreement shall be governed by the laws of the State of Wisconsin.
- Counterparts, This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

TOWN OF Lafayette, COUNTY OF Chippewa, WI

A Participating Party

David Staber - TOWN OF Lafayette Chairperson

Date: March 9th, 2022

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BLOOMER TELEPHONE COMPANY

A Participating Party

Kent Klima – VP & GM

Date: March 9th, 2022